AMENDED IN ASSEMBLY AUGUST 18, 2004 AMENDED IN ASSEMBLY JULY 19, 2004 AMENDED IN ASSEMBLY JUNE 29, 2004 AMENDED IN SENATE APRIL 12, 2004

SENATE BILL

No. 1540

Introduced by Senator Margett

February 19, 2004

An act to amend Section 1255.1 of the Health and Safety Code, relating to health facilities.

LEGISLATIVE COUNSEL'S DIGEST

SB 1540, as amended, Margett. Hospitals: reduction or elimination of emergency medical services: notice.

Existing law, with certain exceptions, requires a hospital that plans to reduce or eliminate emergency medical services to notify various entities at least 90 days before it takes that action. Violation of the laws relating to health facilities is a crime.

This bill would, in addition, require the hospital to notify all local emergency medical services agencies within the region served by the hospital. By changing the definition of a crime, this bill would impose a state-mandated local program. The bill would require the department to place on a licensee that does not comply with the notification requirements of the bill a moratorium on obtaining a new license to operate another general acute care hospital or expanding services under an existing license unless the department finds circumstances that pose a risk to the health of the local community.

SB 1540 — 2 —

3

4

7

10

11 12

13

15

17 18

19

20 21

22

23

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would incorporate additional changes in Section 1255.1 of the Health and Safety Code proposed by this bill and AB 2874 that would become operative only if both bills are chaptered and become effective on or before January 1, 2005, and this bill is chaptered last.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 1255.1 of the Health and Safety Code 2 is amended to read:

1255.1. (a) Any hospital that provides emergency medical services under Section 1255 shall, as soon as possible, but not later than 90 days prior to a planned reduction or elimination of the level of emergency medical services, provide notice of the intended change to the department, the local government entity in charge of the provision of health services, all local emergency medical services agencies within the region served by the hospital, and all health care service plans or other entities under contract with the hospital to provide services to enrollees of the plan or other entity.

- (b) In addition to the notice required by subdivision (a), the hospital shall, within the time limits specified in subdivision (a), provide public notice of the intended change in a manner that is likely to reach a significant number of residents of the community serviced by that facility.
- (c) A hospital shall not be subject to this section or Section 1255.2 if the department does either of the following:
- (1) Determines that the use of resources to keep the emergency center open substantially threatens the stability of the hospital as a whole.
 - (2) Cites the emergency center for unsafe staffing practices.
- (d) Upon a finding by the department that a licensee has not complied with this section, the department shall place a moratorium on the licensee for a period of not less than-two years

__ 3 __ SB 1540

one year during which time the licensee may not obtain a new license to operate another general acute care facility and may not expand services under an existing license, unless the department finds extraordinary circumstances to waive may not expand services under the existing license, unless the department finds unusual or extraordinary circumstances, that may pose a risk to the health of the local community, to waive or reduce the moratorium.

- SEC. 2. Section 1255.1 of the Health and Safety Code is amended to read:
- 1255.1. (a) Any hospital that provides emergency medical services under Section 1255 or any general acute care hospital shall, as soon as possible, but not later than 90 days prior to a planned reduction or elimination of the level of emergency medical services or hospital services, provide notice of the intended change to the department, the local government entity in charge of the provision of health services, all local emergency medical services agencies within the region served by the hospital, and all health care service plans or other entities under contract with the hospital to provide services to enrollees of the plan or other entity.
- (b) In addition to the notice required by subdivision (a), the hospital shall, within the time limits specified in subdivision (a), provide public notice of the intended change in a manner that is likely to reach a significant number of residents of the community serviced by that facility.
- (c) A hospital shall not be subject to this section or Section 1255.2 if the department does either of the following:
- (1) Determines that the use of resources to keep the emergency center or hospital open substantially threatens the stability of the hospital as a whole.
- (2) Cites the emergency center or hospital for unsafe staffing practices.
- (d) Upon a finding by the department that a licensee has not complied with this section, the department shall place a moratorium on the licensee for a period of not less than two years one year during which time the licensee may not obtain a new license to operate another general acute care facility and may not expand services under an existing license, unless the department finds extraordinary circumstances to waive or reduce the moratorium. expand services under the existing license, unless the

SB 1540 — 4 —

4 5

10

12

department finds unusual or extraordinary circumstances, that may pose a risk to the health of the local community, to waive or reduce the moratorium.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 4. Section 2 of this bill incorporates amendments to Section 1255.1 of the Health and Safety Code proposed by both this bill and Assembly Bill 2874. It shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2005, (2) each bill amends Section 1255.1 of the Health and Safety Code, and (3) this bill is enacted after Assembly Bill 2874, in which case Section 1 of this bill shall not become operative.